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SUBJECT: SENATOR LIEBERMAN TALKS TO IRANIANS IN DUBAI

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CLASSIFIED BY: Jillian L Burns, Director, Iran Regional Presence
Office, Dubai, US Department of State.
REASON: 1.4 (d)

1.(S) Summary: In two low-key meetings on Iran scheduled at
Senator Lieberman's request in Dubai May 29, the Senator heard
different views from three Dubai-based Iranian private citizens.

All three were critical of the regime, particularly of
President Ahmadi-Nejad, and all three had different views of how
the US should approach Iran. Sanctions against Iran are having
an impact; particularly on private business, said a Dubai-based
Iranian businessman. Unfortunately, he said, the private
business sector in Iran does not have the power to pressure the
government to change policy. All three Iranian interlocutors --
the businessman, a marketer, and a consultant -- all agreed that
President Ahmadi-Nejad is a "puppet" of the Supreme Leader and
that the majority of Iranian people do not support him. They
disagreed, however, on a way forward. The two who have lived
outside Iran since the revolution called on the US to adopt a
more confrontational policy, with one saying the US needs to
"push the Iranians to the wall" to force change and advocated a
"full-court press" to do so, including attacking Iran's nuclear
facilities. The consultant - who moved from Iran to Dubai four
years ago - said in contrast that Iranian people want reform but
are "tired" of upheaval. The Senator also heard conflicting
views on whether the US should talk to Iran, with one Iranian
calling the May 28 US-Iran Baghdad talks mere "tactics" on the
part of the Iranian government to try to derail future sanctions
and another stating that it was "good signal." After the
meeting, we indicated to the Senator that in general, few
Iranians living in Iran tell us they advocate military action
against Iran. On the other hand, we commonly hear Ahmadi-Nejad
described as a puppet and as increasingly unpopular, though we
note that most Iranians we meet tend to be from the elite. End
Summary.

2.(S) In response to a request from Senator Lieberman's office,
IRPO arranged two meetings with three Iranian residents in Dubai
May 29. One was arranged informally through the Iranian
Business Council (IBC) but only two people, the businessman and
a consultant, agreed to come to what was obviously a sensitive
meeting. The businessman has lived outside Iran since the
revolution; the consultant only came to Dubai from Iran four
years ago. In the second meeting with an Iranian/green card
holder, the other planned participant - an Iranian businessman
from Tehran - backed out. The LPR is a marketer, whose father

was a high-level diplomat under the Shah; he has lived outside Iran since the revolution. In the first meeting, the two discussed terrorism, sanctions, and the Baghdad talks with the Senator. In the second meeting, the marketer introduced himself as a "proud, passionate Persian" and focused on historical events that led us to current US-Iranian relations. The Senator was accompanied by three staff members, joined by three officers from the Iran Regional Presence office.

Impact of Sanctions

3.(S) All three Iranians agreed that US unilateral actions taken against Iranian banks and UN resolutions 1737 and 1747 are impacting business in and with Iran. The Iranian consultant indicated that this has led to more Iranians relocating their business to Dubai. He claimed that two years ago there were 6,300-6,500 Iranian businesses - registered as Emirati companies in Dubai - and now that number has jumped to 8,200. The consultant said sanctions were "making trouble for the Iranian people." The Iranian businessman thought the policy of imposing sanctions on Iran was the correct one, saying however that sanctions are not the only tool, inferring support for military action. When asked if the sanctions could lead to effective pressure on the regime, he said it is not "realistic to think businessmen can change the government," saying private sector business has little lobbying power in Iran. He said Supreme Leader Khamenei is focused solely on preserving his power, and is not involved in business. The Supreme Leader "does not care about" money and business. When pressed by Lieberman, however, the businessman admitted that the Revolutionary Guard (IRGC) and the Ministry of Information (MOIS) are "active" in business and may pressure the government as international pressure impacts their interests. The Iranian marketer agreed with sanctions, despite noting that inflation, due in part to increased costs of business, "is killing the people."

Ahmadi-Nejad: a Puppet

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4.(S) In both meetings, the Iranians described President Ahmadi-Nejad as a "puppet" of the Supreme Leader. The businessman claimed that the majority of Iranians do not like the president. He believed that ballots were manipulated in the 2005 presidential election and said that he would "respect" the president more if he thought that Ahmadi-Nejad was "fairly" elected and had really received 17 million votes. He claimed that Rafsanjani was not allowed to win, as he would not have "danced with the music of the Supreme Leader."

Baghdad security talks

5.(S) The Senator heard both praise and criticism of the US-Iran talks in Baghdad the previous day. The marketer thought they were a "good signal," whereas the businessman called them "foolish" and said the US should not talk to the "enemy." He maintained that to stop terrorism in Iraq, you should fight by rules of terrorists and show no mercy. The businessman told the Senator that he believed Iran agreed to talk to the US on Iraq merely as a "tactic" to try to forestall further sanctions. He maintained that the Iranian government has no interest in seeing a stable, democratic Iraq next door. He discounted religion as Iran's primary motivator in Iraq, saying the government was more concerned that a democratic success story next door would lead to increased pressure for reform from the Iranian people. The businessman believed the US should remain in Iraq and told the Senator he thought it was unwise for US Democrats to oppose the President's Iraq policy.

Terrorism

6.(S) The Iranian businessman criticized US tactics in the

Global War on Terrorism as too lenient. He warned that if the United States is not successful in confronting terrorism, Hizballah will take over Lebanon within five years and soon thereafter, there would be "no more Kuwait, and no more Saudi Arabia." He said that terrorists know the "worst" that will happen if they get caught by the US is "a trial and three meals a day." The businessman claimed that terror had become a business in Iraq. He claimed people were carrying out attacks purely for financial gain and were paid one sum per Iraqi death, and a much higher amount per American death.

Who's to blame

7.(S) The marketer, like most Iranians we meet, blamed the British for the problems in the region, including Iran. He maintained that all the problems that the US is currently trying to address in the region were caused by bad decisions by the British over the past 70 years. He also repeated the frequent claim that the mullahs of Iran are directly linked to the British government and benefit from US' absence from the political scene in Iran. The businessman, on the other hand, blamed the US for both the fall of the Shah and for the triumphant return of Ayatollah Khomeini to Iran, which he claimed also occurred with the backing of the Palestinians.

The way forward

8.(S) The Iranian marketer claimed that Expediency Council Chairman Rafsanjani and former Majles speaker Karroubi recently petitioned the Supreme Leader to "get us out of this mess," which he understood to mean the international pressures Iran was facing. He said he did not know how the Supreme Leader responded. The marketer said the mullahs only want political recognition from the US and claimed that the detention of Iranian-Americans was a cry for recognition. While he believed that Iran "would give everything in exchange" for recognition, he opposed dealing with the Islamic government. He said he envisions a future Iran "without a suffix or a prefix," meaning no longer an Islamic government.

9.(S) Both the businessman and the marketer - both longtime expats - advocated a confrontational approach towards Iran, including a military attack. The consultant, a recent imigri, held a different view, saying the Iranian people were tired of chaos, did not want a return to the uncertainty that accompanied the revolution, and wanted reform from within. The marketer

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said that after "70 years of the British footprint" in the region, effecting real change will be a formidable challenge for the US. He said one way to pressure the Iranian government would be to maneuver it into closing the Strait of Hormuz by bombing its nuclear sites. He reasoned that with no oil revenues, "the mullahs would be gone in 12 weeks."

10.(S) Senator Lieberman asked if, given Iran's economic woes and the people's discontent with the current leadership, there was any likelihood the people would rise up against the regime. The businessman replied no and likened the Iranian government to Saddam's regime, stating hardliners would not allow the people to press for reform. The consultant thought change would come gradually and predicted that the next round of elections may result in the return of Khatami and/or Rafsanjani, with more moderate policies.

11.(S) Comment: Iranians occasionally tell us they would support a US military campaign against Iran to forcibly remove their government, but the majority tell us they would oppose such a step. We would assert that the fact that two out of three of Senator Lieberman's interlocutors favored military action was due to two factors, which we discussed later with the Senator: only those with very strong anti-IRIG sentiments would take the risk of meeting a US senator in Dubai, and both had lived outside of Iran for over two decades. The views of most

Iranians living in Iran with whom we talk reflect more the views of the consultant - that change should come peacefully and from within. Senator Lieberman appeared to take away from the meetings a view we share - that there is no consensus among Iranians on a way forward.

12.(U) Senator Lieberman's office did not have the opportunity to clear this cable.

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